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DECISION MEMORANDUM

TO: COMMISSIONER HANSEN
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WORKING FILE

FROM: TERRI CARLOCK

DATE: FEBRUARY 16, 2001

SUBJECT: CAMBRIDGE TELEPHONE COMPANY'S APPLICATION FOR
AUTHORITY TO BORROW \$653,000; CASE NO. CAM-T-01-01.

RECOMMEND: APPROVAL WITH FILING REQUIREMENTS.

On February 13, 2000, Cambridge Telephone Company (Cambridge) filed an Application requesting authority to borrow up to \$653,000 from the Rural Utilities Service (RUS). The loan consists of funds previously approved but unadvanced.

The funds will be drawn for the following purposes: 1) replacement of the microwave system that serves the Lowman area and 2) upgrade service to the Goodrich area by constructing two fiber optic systems and replacing the existing microwave. The funds may be issued at various times as projects are completed and receive final RUS approval. The interest rate for each issue will be 5%. The final maturity date set by RUS for these funds is November 18, 2020.

STAFF RECOMMENDATION

Staff recommends approval of the RUS draws. Staff also recommends that Cambridge file with the Commission the documentation filed with and received from RUS supporting the draw

amounts and project details. Cambridge has indicated to Staff that they will gladly comply with this filing requirement.

COMMISSION DECISION

Should the RUS loan revisions to borrow \$653,000 be approved?

Should the Staff recommended filing requirements be imposed?

Terri Carlock

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